

EXHIBIT 28

July 25, 2013

Mr. John Kouakis
Star Nissan
206-26 Northern Blvd.
Bayside, NY 13361

Dear John:

The following is an overview of items noted during our most recent visit to your dealerships.

CASH IN BANK - MARATHON BANK

We looked at the bank reconciliation of the Cash in Bank - Marathon Bank account (main bank account) and noted that it was reconciled as of June 30, 2013. There were outstanding deposits in the amount of \$930,003.13 which were able to trace into deposit tickets provided by Carmen. There is \$4,200.97 in interest income for the year to date that Debbie has yet to post to the general ledger.

CASH IN BANK - MARATHON REFUND ACCOUNT

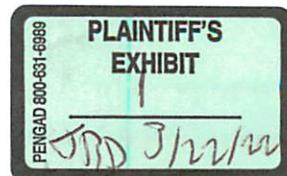
We looked at the bank reconciliation of the Cash in Bank - Marathon Refund Bank account and noted that it was reconciled as of June 30, 2013. There were no outstanding deposits, however, there were 15 outstanding checks totaling \$7,000. Nine of the outstanding checks totaling \$1,000 were from prior to 2013.

CASH IN BANK - DMV MARATHON

We looked at the bank reconciliation of the Cash in Bank - DMV Marathon account and noted that it was reconciled as of June 30, 2013. There were 8 checks outstanding for a total of \$24,957.91, all of which are from 2013. Three of the outstanding checks were intercompany checks for \$23,870 which Vivian cut because they had to pay balances and these were the only signed checks on hand.

CASH IN BANK - PAYROLL MARATHON

We looked at the bank reconciliation of the Cash in Bank - Marathon Payroll account and noted that it was reconciled as of June 30, 2013.



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There were no deposits in transit, however, there were outstanding checks totaling \$117,857.78.

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CONTRACTS IN TRANSIT

We looked at an interim schedule of car deals and noted the following contracts in transit aged over 10 days which we discussed with Nicholas.

<u>CONTROL#</u>	<u>CUSTOMER NAME</u>	<u>AGE</u>	<u>AMOUNT</u>	<u>COMMENTS</u>
39549	Vladimir Baskin	36	\$22,687.73	In process per NMAC
42623	Arthur T. Aumuller	24	23,924.11	Paid, to be posted
54368	Yvette Perez	24	29,650.80	In process per NMAC
59387	Pamela R Gillespie	24	20,428.20	Paid, to be posted
85512	Pasquale Nobile	24	18,398.79	Paid, to be posted
97216	Oscar F Ferrufino	128	25,846.66	NMAC has no record of this deal, so Nick has to re-send all the paperwork
98365	Benjamin P Dallemand	30	18,866.85	Paid, to be posted
98446	Jennifer Latorre	18	27,143.80	Nicholas to research
98460	Jonathan Castillo	24	32,891.33	Nicholas to research
98470	Linked Mechanical	15	32,251.73	Paid, to be posted
98477	Liliana Guerrero	14	26,924.76	Nicholas to research
98517	Sung Nam Yoo	14	17,080.30	Paid, to be posted

VEHICLE ACCOUNTS RECEIVABLE

We looked at an interim schedule of car deals and noted there were no open receivables balances aged over 30 days.

CUSTOMER DEPOSITS

We looked at an interim schedule of car deals and noted that all balances are credits that are either owed back to customers or will be applied against future deals. There were no debit balances.

SERVICE AND PARTS ACCOUNTS RECEIVABLE

We looked at an interim schedule of service and parts accounts receivable and dicussed the folowing aged open receivables with Carmen and Al Karim.

<u>CUST#</u>	<u>CUSTOMER NAME</u>	<u>TOTAL</u>	<u>61-90</u>	<u>91-120</u>	<u>121+</u>
149	Koeppel Nissan Will be collected	\$1,048.32	\$ 181.58	-	-

159	5 Star Auto Center	3,151.88	1,207.91	566.68	732.35
	Slow pay, will be collected				
295	Arch Auto Parts	9,098.32	447.61	-	-
424	Bayside Collision	4,218.32	1,745.79	-	

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<u>CUST#</u>	<u>CUSTOMER NAME</u>	<u>TOTAL</u>	<u>61-90</u>	<u>91-120</u>	<u>121+</u>
585	Kingspoint Auto	945.78	-	94.32	-
775	Petrone Automotive	2,439.90	53.00	485.37	1,327.83
	Slow pay, will be collected				
4977	Carriage House				
	Collision	10,871.41	1,525.33	-	-
	Slow pay, Al Korim workin on				
15734	North Star Auto	7,725.07	2,049.45	159.01	-
	Slow pay, will be collected				
20400	Great Neck Collision	4,152.89	700.92	-	2,915.20
	Collecting slowly				
22571	Intercounty Auto	2,312.55	-	-	2,312.55
	Possible write off				
31768	Norman Collision	4,937.28	1,278.04	508.00	65.43
	Collecting overtime				
65406	Easy Care Warranty	6,301.84	-	-	6,301.84
	Carmen trying to collect				
79689	DMP Company Inc.	8,343.71	1,059.54	1,560.53	3,888.73
	Carmen trying to collect				
91191	One to One Rewards	5,625.44	843.40	1,317.37	2,214.09
	A portion may have to be written off				

HOLDBACK RECEIVABLE

We looked at an interim schedule of holdback receivables and noted that all items were current and should be collected in August.

CREDIT CARD RECEIVABLE

We looked at an interim schedule of credit card receivables and noted there were many open debits with a total of \$158,758.78 outstanding. We discussed this with Carmen and noted that she had a stack of credit card deposit notices from July to post.

SUBLET INVENTORY

We looked at a schedule of sublet inventory and discussed the following items with Carmen.

<u>CONTROL#</u>	<u> DAYS</u>	<u>AMOUNT</u>	<u>COMMENTS</u>
395787	617	\$ 1,600.00	Pathfinder program, Steve Hausman researching

396117 631 2,440.00 Pathfinder program, Steve Hausman researching
 404538 479 2,240.00 Pathfinder program, Steve Hausman researching
 413670 246 3,080.00 Pathfinder program, Steve Hausman
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<u>CONTROL#</u>	<u> DAYS</u>	<u>AMOUNT</u>	<u>COMMENTS</u>
418306	260	1,080.00	researching Pathfinder program, Steve Hausman
418416	120	840.00	researching Pathfinder program, Steve Hausman
425373	139	10,689.22	JK Auto Body bill

We also noted 17 debit balances older than 100 days aged totaling \$5,196.94 that Carmen believes are rental related and may need to be expensed.

WARRANTY CLAIMS

We looked at an interim schedule of warranty claims receivable and discussed the following balances aged over 30 days with Carmen.

<u>REF#</u>	<u>AGE</u>	<u>AMOUNT</u>	<u>COMMENTS</u>
432434	31-60	\$ 500.00	Overcharge, to be written off
432464	31-60	1,708.41	To be written off
432493	31-60	190.00	Carmen expects payment
433523	31-60	2,500.00	Supposed to be customer pay

PORTFOLIO WARRANTY CLAIMS

We reviewed a schedule of extended warranty claims receivable and noted a summary of the schedule as follows:

<u>AGE</u>	<u># OF BALS</u>	<u>AMOUNT</u>
0-30	9	\$ 6,365.92
31-60	8	3,511.54
61-90	-	-
91+	-	-
TOTAL	17	\$ 9,877.46

Per Carmen, these claims should be offset as a reduction of the payable for new portfolio warranty contracts sold. She will make the adjustment as necessary.

EMPLOYEE RECEIVABLES

We looked at a schedule of employee advances receivable and noted there were 9 employees with outstanding balances receivable totaling \$18,501.23. Per Vivian, all employees with balances are still employed and the monies should be deducted from their paychecks.

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PREPAID OTHER

We looked at an interim schedule of prepaid other and noted that the schedule consisted of the following balances.

<u>CONTROL#</u>	<u>AMOUNT</u>	<u>COMMENT</u>
2214CONED	\$ 2,066.21	Energy efficient light fixtures
2230CONED	3,963.31	Energy efficient light fixtures

EXTENDED WARRANTY ACCOUNTS PAYABLE

We looked at an interim schedule of extended warranty A/P and discussed the following balances aged over 100 days with Carmen.

<u>SERIAL #</u>	<u>DAYS</u>	<u>AMOUNT</u>	<u>COMMENT</u>
103975	326	\$ 733.00	Cancellation of warranty
109516	175	199.00	Write off
139294	204	1,836.00	Cancellation of warranty
225203	128	(187.00)	Carmen needs to research
228130	292	370.00	W/O posting error
238892	190	(516.00)	W/O costing difference
310907	128	(190.00)	Carmen needs to research
317619	162	(923.00)	Need to process
366700	117	(1,000.00)	Carmen needs to research
411007	321	(291.00)	Need to process
432133	118	(712.00)	Need to process
432636	164	387.00	W/O costing difference
470393	181	15.00	W/O small balance
607570	117	1,000.00	Carmen needs to research
629801	115	(1,467.00)	Carmen needs to research
635843	152	(788.00)	Carmen needs to research
656518	218	(1,203.00)	Need to process
751015	188	394.00	W/O costing difference
807843	152	417.00	Carmen needs to research
815188	179	(24.00)	W/O small balance
863843	110	1,205.00	Carmen needs to research
862410	119	311.00	W/O costing difference
RRANTY	133	(1,200.00)	Warranty pack

LICENSE AND REGISTRATION PAYABLE

We looked at a schedule of license and registration payable and discussed the following with Jackie.

<u>CONTROL#</u>	<u>CUSTOMER</u>	<u> DAYS</u>	<u>AMOUNT</u>	<u>COMMENT</u>
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